

RECORD
TRA

01-27-2000



U.S. DEPARTMENT
Patent and

JAN 19

Tab settings

101251536

To the Honorable Commissioner of Patents and Trademarks. Please return the attached original documents or copy thereof.

1. Name of conveying party(ies):

SEAWARD INTERNATIONAL, INC.

- Individual(s)
- General Partnership
- Corporation-State
- Other
- Association
- Limited Partnership

Additional name(s) of conveying party(ies) attached? Yes No

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other
- Merger
- Change of Name

Execution Date: December 9, 1999

2. Name and address of receiving party(ies)

Name: THE CIT GROUP/CREDIT FINANCE, INC.

Internal Address: Regional Credit Manager
301 South Tryon Street

Street Address: Two First Union Center

City: Charlotte State: NC ZIP: 28202

- Individual(s) citizenship
- Association
- General Partnership
- Limited Partnership
- Corporation-State Delaware
- Other

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No

(Designations must be a separate document from assignment)

Additional name(s) & address(es) attached? Yes No

4. Application number(s) or patent number(s):

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

1,269,742	1,969,345	1,262,080
1,851,967	1,978,806	1,997,567
1,940,525	2,018,071	
1,886,061	1,270,794	

Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Deborah L. Scudder

Internal Address: Carruthers & Roth, P.A.

01/24/2000 JSHAB077 00000178 1269742

01 FC:481 40.00 OP
02 FC:482 225.00 OP

Street Address: 235 N. Edgeworth St.

City: Greensboro State: NC ZIP: 27401

6. Total number of applications and registrations involved: 10

7. Total fee (37 CFR 3.41).....\$ 265.00

Enclosed

Authorized to be charged to deposit account

8. Deposit account number:

(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Deborah L. Scudder
Name of Person Signing

CARRUTHERS & ROTH, P.A.

By Deborah L. Scudder
Signature

January 14, 2000
Date

Total number of pages including cover sheet, attachments, and document.

TRADEMARK

REEL: 002011 FRAME: 0465

TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT ("Agreement"), is made and entered into this 9th day of December, 1999, between SEAWARD INTERNATIONAL, INC., a Virginia corporation ("Seaward"), and THE CIT GROUP/CREDIT FINANCE, INC., a Delaware corporation ("Lender").

WITNESSETH:

WHEREAS, Seaward and ProMar, L.L.C., a Virginia limited liability company ("ProMar"; Seaward and ProMar being collectively called the "Borrowers" and, individually, a "Borrower"), propose to enter into a certain Financing Agreement, dated of even date herewith (the Financing Agreement, as it may hereafter be amended, modified, supplemented or restated from time to time, being herein called the "Financing Agreement"), with Lender pursuant to which Lender will make loans and extend credit to Borrowers, all as more particularly described therein; and

WHEREAS, as a condition precedent to Lender's entering into the Financing Agreement and making loans and extending credit to Borrowers pursuant thereto, Lender has required the execution of this Agreement by Seaward in favor of Lender.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, Seaward agrees with Lender as follows:

1. Defined Terms. All capitalized terms used herein without definition shall have the meaning ascribed to such terms in the Financing Agreement.

2. Grant of Security Interest. As security for the payment and performance of the Obligations, Seaward hereby assigns, grants, transfers and conveys to Lender, for security purposes, all of Seaward's right, title and interest in, to and under the following property, in each case whether now existing or hereafter acquired or arising and whether registered and unregistered and wherever the same may be located (the "Trademark Collateral"):

(a) all state (including common law), federal and foreign trademarks, service marks and trade names, corporate names, company names, business names, fictitious business names, trade styles, trade dress, logos, other source or business identifiers, domain names, designs and general intangibles of like natures, now existing or hereafter adopted or acquired, together with and including all licenses therefor held by Seaward (unless otherwise prohibited by any license or related licensing agreement under circumstances where the granting of the security interest would have the effect under applicable law of the termination or permitting termination of the license for breach and where the licensor has elected such termination remedy), and all registrations and recordings thereof, and all applications filed or to be filed in connection therewith, including registrations and applications in the United States Patent and Trademark Office, any State of the

United States or any other country or any political subdivision thereof, and all extensions or renewals thereof, including any of the foregoing identified on Schedule A hereto (as the same may be amended, modified or supplemented from time to time), and the right (but not the obligation) to register claims under any state or federal trademark law or regulation or any trademark law or regulation of any foreign country and to apply for, renew and extend any of the same, to sue or bring opposition or cancellation proceedings in the name of Seaward or in the name of Lender for past, present or future infringement or unconsented use thereof, and all rights arising therefrom throughout the world (collectively, the "Trademarks");

(b) all claims, causes of action and rights to sue for past, present or future infringement or unconsented use of any Trademarks and all rights arising therefrom and pertaining thereto;

(c) all general intangibles related to or arising out of any of the Trademarks and all the goodwill of Seaward's business symbolized by the Trademarks or associated therewith; and

(d) all proceeds of any and all of the foregoing Trademark Collateral, including, without limitation, license royalties, rights to payment, accounts receivable, proceeds of infringement suits and all payments under insurance or any indemnity, warranty or guaranty payable by reason or loss or damage to or otherwise with respect to the foregoing Trademark Collateral.

3. Representations, Warranties and Covenants of Seaward. Seaward represents, warrants and covenants that:

(a) The Trademark Collateral is, to the best of its knowledge, subsisting and has not been judged invalid or unenforceable;

(b) Seaward is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to the Trademark Collateral;

(c) Seaward has used, and will continue to use for the duration of this Agreement, proper statutory notice in connection with its use of the Trademark Collateral;

(d) Seaward will maintain the quality of the products associated with the Trademark Collateral, generally at a level consistent with the quality as of the effective date of this Agreement, subject to the introduction of new products from time to time, and product modifications in the ordinary course of business; and

(e) Seaward has the unqualified right to enter into this Agreement and perform its terms and has entered and will enter into written agreements with each of its present and future employees, agents and consultants which will enable it to comply with the covenants herein contained.

4. Visits and Inspections. Seaward hereby grants to Lender and its employees and agents the right on prior notice to Seaward to visit Seaward's plants and facilities which manufacture, inspect or store products sold under any of the Trademarks, and to inspect the products and quality control records relating thereto at reasonable times during regular business hours. Seaward shall do any and all acts required by Lender to ensure Seaward's compliance with paragraph 3(d) of this Agreement.

5. Restrictions on Future Agreements. Seaward agrees that, until all of the Obligations have been satisfied in full and the Financing Agreement has been terminated in writing, it will not without Lender's prior written consent, enter into any agreement which is inconsistent with Seaward's duties under this Agreement, and Seaward further agrees that it will not take any action, or permit any action to be taken by others subject to its control, including licensees, or fail to take any action, which would affect the validity and enforcement of the rights granted to Lender under this Agreement.

6. After-Acquired Trademark Rights. If, before the Obligations have been satisfied in full, Seaward shall obtain rights to any new trademarks, or become entitled to the benefit of any trademark application or trademark for any renewal of any Trademark, the provisions of paragraph 1 hereof shall automatically apply thereto, and Seaward shall give to Lender prompt notice thereof in writing. Seaward authorizes Lender to modify this Agreement by amending Schedule A to include any future trademarks and trademark applications which are Trademark Collateral under paragraph 1 hereof or this paragraph 6.

7. Seaward's Rights Prior to Event of Default. Unless and until there shall have occurred and be continuing an Event of Default (as defined in the Financing Agreement), Seaward shall continue to own, and may use and enjoy the Trademark Collateral in connection with its business operations, but only in a manner consistent with the presentation of their current substance, validity and registration.

8. Remedies Upon Event of Default. If an Event of Default shall have occurred and be continuing, Lender shall have, in addition to all other rights and remedies given it by this Agreement, those allowed by law and, specifically, those of a secured party under the UCC. Notice of any sale or other disposition of the Trademark Collateral shall be deemed reasonable and sufficient if given Seaward at least ten (10) days before the time of any intended public or private sale or other disposition of any of the Trademark Collateral is to be made.

9. Power of Attorney. Seaward hereby makes, constitutes and appoints Lender and any officer or agent of Lender as Lender may select as Seaward's true and lawful attorney-in-fact, with full power to do any or all of the following if an Event of Default shall occur and be continuing: to endorse Seaward's name on all applications, documents, papers and instruments necessary for Lender to use the Trademark Collateral, or to grant or issue any exclusive or nonexclusive license under the Trademark Collateral to anyone else as necessary for Lender to assign, pledge, convey or otherwise transfer title in or dispose of the Trademark Collateral to

anyone else. Seaward hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable until all of the Obligations shall have been satisfied in full and the Financing Agreement shall have been terminated in writing.

10. Release of Security Interest. At such time as all of the Obligations shall have been satisfied and paid in full, Lender shall execute and deliver to Seaward all releases, termination statements, and other instruments as may be necessary or proper to release or reflect the release of Lender's security interest in the Trademark Collateral, including all documentation necessary to reflect such release in the United States Patent and Trademark Office.

11. Costs and Expenses. Any and all fees, costs and expenses, of whatever kind or nature, including reasonable attorneys' fees and legal expenses, incurred by Lender in connection with the preparation of this Agreement and all other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or otherwise protecting, maintaining, or preserving the Trademark Collateral, or in defending or prosecuting any actions or proceedings arising out of or related to the Trademark Collateral, shall be borne and paid by Seaward on demand by Lender and until so paid shall be added to the amount of the Obligations and shall bear interest at the rate prescribed in the Financing Agreement.

12. Litigation and Proceedings.

(a) Seaward shall have the duty to prosecute diligently any trademark application of the Trademarks pending as of the date of this Agreement or thereafter, other than those discontinued or abandoned in the ordinary course of business, until the Obligations shall have been paid in full and to preserve and maintain all rights in trademark applications and trademarks of the Trademarks in the ordinary course of business. Any expenses incurred in connection with such an application shall be borne by Seaward. Seaward shall not abandon any right to file a trademark application, or any pending trademark application or trademark, other than those discontinued or abandoned in the ordinary course of business without the consent of Lender, which consent shall not be unreasonably withheld.

(b) Lender shall have the right, but shall in no way be obligated, to bring suit in its own name, as the holder of a security interest in the Trademark Collateral, to enforce the Trademarks, and any license thereunder, in which event Seaward shall at the request of Lender do any and all lawful acts (including bringing suit) and execute any and all proper documents required by Lender in aid of such enforcement and Seaward shall promptly, upon demand, reimburse and indemnify Lender for all costs and expenses incurred in the exercise of its rights under this paragraph 12. Nothing herein shall be deemed to prohibit Seaward from bringing any such suit in its own name at any time that an Event of Default does not exist, if Lender declines to institute suit.

13. Lender May Perform. If Seaward fails to comply with any of its obligations hereunder, Lender may do so in Seaward's name or in Lender's name, but at Seaward's expense, and Seaward agrees to reimburse Lender in full for all expenses, including reasonable attorney's fees, incurred by Lender in prosecuting, defending or maintaining the Trademarks or Lender's interest therein pursuant to this Agreement.

14. Severability. The provisions of this Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

15. Modification. This Agreement is subject to modification only by a writing signed by the parties, except as provided in paragraph 6 hereof.

16. Binding Effect; Benefits. The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties.

17. Notices. All notices, requests and demands to or upon a party hereto, to be effective, shall be in writing and shall be sent by certified or registered mail, return receipt requested, by personal delivery against receipt, by overnight courier or by facsimile transmission and, unless expressly provided herein, shall be deemed to have been validly served, given or delivered immediately when delivered against receipt, three (3) Business Days after deposit in the mail, postage prepaid, or, in the case of facsimile transmission, when received (if on a Business Day and, if not received on a Business Day, then on the next Business Day after receipt), addressed as follows:

(i) If to the Lender, at: The CIT Group/Credit Finance, Inc.
301 South Tryon Street
Two First Union Center
Charlotte, NC 28202
Attn: Regional Credit Manager
Facsimile No. 704-339-2208

(ii) if to the Pledgor, at: Seaward International, Inc.
3470 Martinsburg Pike
Clearbrook, Virginia 22624
Attn: President
Facsimile No. _____

or to such other address as each party may designate for itself by notice given in accordance with this Section 17. Any written notice or demand that is not sent in conformity with the provisions

hereof shall nevertheless be effective on the date that such notice is actually received by the noticed party.

18. Governing Law; Consent to Forum. THIS AGREEMENT HAS BEEN NEGOTIATED, EXECUTED AND DELIVERED AT AND SHALL BE DEEMED TO HAVE BEEN MADE IN THE STATE OF NORTH CAROLINA. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NORTH CAROLINA. AS PART OF THE CONSIDERATION FOR NEW VALUE RECEIVED, AND REGARDLESS OF ANY PRESENT OR FUTURE DOMICILE OR PRINCIPAL PLACE OF BUSINESS OF SEAWARD OR LENDER, SEAWARD HEREBY CONSENTS AND AGREES THAT THE SUPERIOR COURT OF MECKLENBURG COUNTY, NORTH CAROLINA, OR, AT LENDER'S OPTION, THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF NORTH CAROLINA, CHARLOTTE DIVISION, SHALL HAVE EXCLUSIVE JURISDICTION TO HEAR AND DETERMINE ANY CLAIMS OR DISPUTES BETWEEN SEAWARD AND LENDER PERTAINING TO THIS AGREEMENT OR TO ANY MATTER ARISING OUT OF OR RELATED TO THIS AGREEMENT. SEAWARD EXPRESSLY SUBMITS AND CONSENTS IN ADVANCE TO SUCH JURISDICTION IN ANY ACTION OR SUIT COMMENCED IN ANY SUCH COURT, AND SEAWARD HEREBY WAIVES ANY OBJECTION WHICH SEAWARD MAY HAVE BASED UPON LACK OF PERSONAL JURISDICTION, IMPROPER VENUE OR FORUM NON CONVENIENS AND HEREBY CONSENTS TO THE GRANTING OF SUCH LEGAL OR EQUITABLE RELIEF AS IS DEEMED APPROPRIATE BY SUCH COURT. SEAWARD HEREBY WAIVES PERSONAL SERVICE OF THE SUMMONS, COMPLAINT AND OTHER PROCESS ISSUED IN ANY SUCH ACTION OR SUIT AND AGREES THAT SERVICE OF SUCH SUMMONS, COMPLAINT AND OTHER PROCESS MAY BE MADE BY REGISTERED OR CERTIFIED MAIL ADDRESSED TO SEAWARD AT THE ADDRESS SET FORTH IN THIS AGREEMENT AND THAT SERVICE SO MADE SHALL BE DEEMED COMPLETED UPON THE EARLIER OF SEAWARD'S ACTUAL RECEIPT THEREOF OR 3 DAYS AFTER DEPOSIT IN THE U.S. MAILED, PROPER POSTAGE PREPAID. NOTHING IN THIS AGREEMENT SHALL BE DEEMED OR OPERATE TO AFFECT THE RIGHT OF LENDER TO SERVE LEGAL PROCESS IN ANY OTHER MANNER PERMITTED BY LAW, OR TO PRECLUDE THE ENFORCEMENT BY LENDER OF ANY JUDGMENT OR ORDER OBTAINED IN SUCH FORUM OR THE TAKING OF ANY ACTION UNDER THIS AGREEMENT TO ENFORCE THIS AGREEMENT IN ANY OTHER APPROPRIATE FORUM OR JURISDICTION.

WITNESS the execution hereof on the day and year first above written.

SEAWARD INTERNATIONAL, INC

By: Robert B Taylor
Title: President

LENDER:

THE CIT GROUP/CREDIT FINANCE, INC.

By: Wafiq Hameed
Title: Vice President

STATE OF Virginia

COUNTY OF Frederick

I, Shelley C. Gabe, a Notary Public of the State and County aforesaid, certify that Robert B. Taylor personally appeared before me this day and acknowledged that (s)he is — President of SEAWARD INTERNATIONAL, INC., a Virginia corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed by him/her in the corporation's name.

WITNESS my hand and official stamp or seal, this 27th day of November, 1999.

Shelley C. Gabe
Notary Public

My Commission Expires: December 31, 2002

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

I, BEVERLY A. SCOTT, a Notary Public of the State and County aforesaid, certify that WILFRED OLIVENCIA personally appeared before me this day and acknowledged that (s)he is a Vice President of THE CIT GROUP/CREDIT FINANCE, INC., a Delaware corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed by him/her in the corporation's name.

WITNESS my hand and official stamp or seal, this 9th day of ~~November~~ DECEMBER, 1999.

Beverly A. Scott
Notary Public

My Commission Expires: 9-15-2001

SCHEDULE A TO
TRADEMARK SECURITY AGREEMENT

<u>Trademark Name</u>	<u>Registration No.</u>	<u>Registration Date</u>
SEA CUSHION [®] MARINE FENDER	1,269,742	March 13, 1984
SEAPILE [®] COMPOSITE MARINE PILING	1,851,967	August 30, 1994
SEATIMBER [®] COMPOSITE MARINE TIMBER	1,940,525	December 12, 1995
DURALIN [®] PLASTIC	1,886,061	March 28, 1995
SEAFLOAT [®] MARINE BUOYS AND FLOATS	1,969,345	April 23, 1996
SEACAMEL [®] COMPOSITE MARINE CAMEL	1,978,806	June 4, 1996
SEALINK [®] ELASTOMER CHAIN LINK ENERGY ABSORBER	2,018,071	November 19, 1996
SEA COLLAR [®] FLOTATION COLLAR	1,270,794	March 20, 1984
TECHTHANE [®] URETHANE ELASTOMER	1,262,080	December 27, 1983
SEAWHISPER [®] ANECHOIC TILE SYSTEM	1,997,567	August 17, 1996